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असाधारण

EXTRAORDINARY

भाग II—खण्ड 2

PART II—Section 2

प्राधिकार से प्रकाशित

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No. 23]

NEW DELHI, FRIDAY, MAY 5, 1978/VAISAKHA 15, 1900

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation

LOK SABHA

The following Bills were introduced in Lok Sabha on the 5th May, 1978:—

BILL No. 67 of 1978

A Bill further to amend the Motor Vehicles Act, 1939.

Be it enacted by Parliament in the Twenty-ninth Year of the Republic of India as follows:—

1. This Act may be called the Motor Vehicles (Amendment) Act, 1978.

Short
title.

4 of 1939.

2. In section 95 of the Motor Vehicles Act, 1939, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The amount of compensation payable in respect of death, or bodily injury or damage to any property, shall be determined by the Claims Tribunal constituted under section 110, taking into consideration the circumstances of each case.”

Amend-
ment of
section
95.

(475)

STATEMENT OF OBJECTS AND REASONS

At present the compensation payable in the case of loss of life or bodily injury or damage to property occasioned by motor accident is a paltry sum. The Supreme Court has also in the case of *Manjushree Versus B. L. Gupta* (All India Reporter, 1977—Supreme Court 1159) drawn attention to this aspect of the law.

It is rather arbitrary to provide that a life lost through a motor accident deserves a small sum as compensation while a loss of life occasioned by a railway or an aeroplane accident deserves large compensation.

The Bill proposes to remedy this draw-back in the existing law.

R. D. GATTANI

NEW DELHI;

The 16th March, 1978.

BILL NO. 75 OF 1978

A Bill further to amend the Code of Criminal Procedure, 1973.

BE it enacted by Parliament in the Twenty-ninth Year of the Republic of India as follows:—

1. This Act may be called the Code of Criminal Procedure (Amendment) Act, 1978.

Short
title.

2 of 1974.

2. After section 40 of the Code of Criminal Procedure, 1973, the following section shall be inserted, namely:—

Insertion
of new
section 40A.

Every
police
officer, etc.
to inform
the elected
head of
the village
about his
visit to
village.

"40A. (1) Every police officer, including a constable, and every other officer employed in connection with the affairs of a village, including a revenue officer, whenever he proceeds for any inquiry, investigation, arrest, search or for discharging any other official duty in a village in the area where he is posted in his official capacity, shall first inform the elected head of the village, by whatever name he may be called, or the deputy head of the village in the absence of the head of the village, about the purpose of his visit or proceeding to the village in his official capacity.

(2) Any officer, as aforesaid, who contravenes the provisions of this section shall be liable to disciplinary action."

STATEMENT OF OBJECTS AND REASONS

Bureaucracy is all powerful in India. Unfortunately, in our country, particularly in the rural areas, the *Pradhans*, who are elected by the people, are not duly recognised by government officers. There is no effective check on the officers. They take arbitrary action when they visit the villages. In order to check this practice prevalent since British *Raj*, it is necessary that whenever any officer visits any village for official purpose, he should at least inform the *Pradhan*, the elected head of the village, or in his absence, the *Up-Pradhan*, about his visit as also the purpose of his visit in advance.

Hence this Bill.

NEW DELHI;

TEJ PRATAP SINGH.

The 21st March, 1978.

BILL No. 80 OF 1978

A Bill further to amend the Trade and Merchandise Marks Act, 1958.

Be it enacted by Parliament in the Twenty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Trade and Merchandise Marks (Amendment) Act, 1978.

Short
title
and com-
mencement

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

43 of 1958.

2. In section 78 of the Trade and Merchandise Marks Act, 1958 (hereinafter referred to as the principal Act),—

Amend-
ment of
section
78.

(i) for the words "imprisonment for a term which may extend to two years, or with fine, or with both", the words "imprisonment for a term which may extend to five years, or with fine upto rupees twenty-five thousand, or with both" shall be substituted;

(ii) the proviso shall be deleted.

Amend-
ment of
section
79.

3. In section 79 of the principal Act,—

(i) for the words "imprisonment for a term which may extend to two years, or with fine, or with both", the words "imprisonment for a term which may extend to five years, or with fine upto rupees twenty-five thousand, or with both" shall be substituted;

(ii) the proviso shall be deleted.

Insertion
of new
section
79A.

4. After section 79 of the principal Act, the following section shall be inserted, namely:—

Penalty
for second
and sub-
sequent
offence
under
section 78
or section
79.

"79A. Any person who having been convicted by a Court in India under section 78 or section 79, is again convicted of any offence punishable under section 78 or section 79, shall be punishable for second and for every subsequent offence with imprisonment for a term which may extend to seven years, or with fine upto rupees twenty-five thousand, or with both:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the Judgement of the Court, such imprisonment shall not be less than twelve months."

STATEMENT OF OBJECTS AND REASONS

At present, in accordance with the First Schedule to the Code of Criminal Procedure 1973, the offences under sections 78 and 79 of the Trade and Merchandise Marks Act, 1958 are, except in relation to foods and drugs, non-cognizable with the result that a Police Officer cannot investigate these offences without an order from a Magistrate. Even after such an order has been made, a Police Officer has no authority to arrest an alleged offender.

Use of spurious trade marks in relation to a wide variety of goods including goods of mass consumption has grown in recent years much to the detriment of public at large. It is felt that if the offences under sections 78 and 79 of the Trade and Merchandise Marks Act, 1958 are made cognizable, and the punishment is made more deterrent this evil practice will diminish. The amendments proposed in the Bill seek to achieve these objectives, firstly by enhancing the maximum term of imprisonment from 2 years to 5 years and fine upto Rs. 25,000, or both, which will automatically make these offences cognizable and secondly by providing for a minimum imprisonment of 12 months for a second and subsequent conviction.

KANWAR LAL GUPTA

NEW DELHI;

The 22nd March, 1978.

BILL NO. 72 OF 1978

A Bill further to amend the Constitution of India.

BE it enacted by Parliament in the Twenty-ninth Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Amendment) Act, 1978. Short title.
2. In article 30 of the Constitution, the following new clause shall be added, namely:— Amendment of article 30.

“(3) Notwithstanding anything to the contrary contained in this Constitution or in any law for the time being in force or in any judgment, decree or order of any Court, the Aligarh Muslim University shall be deemed to have been established by Muslims of India.”.

STATEMENT OF OBJECTS AND REASONS

Article 30 of the Constitution provides for the right of minorities to establish and administer educational institutions. The Bill seeks to ensure specifically that the Aligarh Muslim University shall be deemed to have been established by Muslims of India, especially in view of the Supreme Court judgment in *Azeez Basha Vs. Union* (1968) 1 S.C.R. with respect thereto.

NEW DELHI;
The 23rd March, 1978.

G. M. BANATWALLA.

BILL NO. 81 OF 1978

A Bill further to amend the Minimum Wages Act, 1948.

WHEREAS it is expedient further to amend the Minimum Wages Act, 1948.

BE it enacted by Parliament in the Twenty-ninth Year of the Republic of India as follows:—

1. This Act may be called the Minimum Wages (Amendment) Act, 1978. Short title.

11 of 1948.

2. In section 2 of the Minimum Wages Act, 1948 (hereinafter referred to as the principal Act),—

Amend-
ment of
section 2.

(a) in sub-clause (i) of clause (b), **after** the words "a Central Act," the words "or in relation to the Beedi and Cigar Industry," shall be inserted;

(b) in clause (h), after the words "includes house rent allowance", the words "and fall-back wages" shall be inserted.

Amend-
ment of
section 3.

3. In section 3 of the principal Act, in sub-section (2), after clause (c), the following clause shall be inserted, namely:—

"(cc) a fall-back wage, which shall be a certain percentage of the minimum rate of wages and which shall be paid to an employee who has presented himself for the full hours of work, but has not been supplied the required quantum of raw material for earning the minimum wage notified under the Act, by his employer or the employer's agent;".

STATEMENT OF OBJECTS AND REASONS

The Beedi Industry is not a capital-intensive industry. At present, fixation of minimum rates of wages is left to the choice of respective State Governments, who are the "appropriate Governments" under the Minimum Wages Act, 1948. As a result, different rates of wages are fixed by the different States. The employer is, therefore, able to engage some Munshis or Munims and shift his production-centre across the border to some other State where the minimum wage is lower. In consequence, the workers have to face closures and unemployment in the State where the minimum wage is comparatively higher, or are compelled to accept lower rates than the notified minimum wages. This is defeating the purpose of fixation of minimum wage in the Beedi industry. The solution is to fix a national minimum wage, including variations, if necessary, but to the extent that the purpose of fixing the minimum wage is not defeated. This can be done if only the Central Government is the appropriate Government in the case of the Beedi and Cigar Industry. Hence the amendment proposed.

2. The minimum rates of wages in the Beedi Industry are fixed on the basis of making 1000 Beedies per day. This requires a certain quantity of leaves, tobacco etc. It is found that in many cases sufficient raw material is not given by the employer or his agent to the employees for manufacturing 1000 Beedies. As a result, the employee fails to earn the minimum wage notified under the Act. It is, therefore, proposed that a system of "fall-back wages" be introduced. Since, under this provision, the employer will be compelled to pay the "fall-back wage" even when he supplies insufficient raw material, the practice will be discouraged and guarantees will be created for the implementation and payment of minimum wage. As to what percentage the fall-back wage should be, is of course left to be decided by the "appropriate Government" and/or the Advisory Committee which it sets up for the purpose of determining the amount.

3. The Bill seeks to achieve the aforesaid objects.

NEW DELHI;

PARVATHI KRISHNAN

The 24th March, 1978.

BILL No. 82 OF 1978

A Bill to amend the Beedi and Cigar Workers (Conditions of Employment) Act, 1966.

WHEREAS it is expedient to amend the Beedi and Cigar Workers (Conditions of Employment) Act, 1966;

Be it enacted by Parliament in the Twenty-ninth Year of the Republic of India as follows:—

Short
title.

1. This Act may be called the Beedi and Cigar Workers (Conditions of Employment) Amendment Act, 1978.

Amend-
ment of
section 2.

2. In section 2 of the Beedi and Cigar Workers (Conditions of Employment) Act, 1966 (hereinafter referred to as the principal Act),—

32 of 1966.

(i) in clause (c), for the words "State Government", the words "Central Government" shall be substituted;

(ii) clauses (d) and (e) shall be deleted;

(iii) for clause (f), the following clause shall be substituted, namely:—

“(f) “employee” means a person employed directly or through any agency, whether for wages or not, in any establishment to do any work, skilled, unskilled, manual or clerical, connected with any process for or incidental to, making, finishing or packing or otherwise treating any article or substance with a view to its use, sale, transport, delivery or disposal as Beedi or Cigar or both;”;

(iv) for clause (g), the following clause shall be substituted, namely:—

“(g) “employer” means any person who employs whether directly or through another person, whether on behalf of himself or any other person, one or more employees engaged in the manufacturing process of Beedi or Cigar or both, and includes the person who has the ultimate control over the affairs of any establishment or who has, by reason of his advancing money supplying goods or otherwise a substantial interest in the control of the affairs of any establishment and includes any other person to whom the affairs of the establishment are entrusted, whether such other person is called the managing agent, managing superintendent, or by any other name;”;

(v) in clause (l) and thereafter, wherever it occurs in the Act, for the words “State Government”, the word “Central Government” shall be substituted;

(vi) clauses (m), (n) and (o) shall be deleted.

3. In section 17 of the principal Act, for the words “nine hours”, the words “eight hours” shall be substituted.

Amend-
ment of
section 17.

4. In section 20 of the principal Act, the proviso shall be deleted.

Amend-
ment of
section 20.

5. After section 20 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
20A.

“20A. An employee who has presented himself for the full hours of work in the course of a day, but has not been supplied the required quantum of raw material by his employer or the employer's agent for earning the minimum wage notified under the Act, shall be entitled to a Fall-back Wage, which shall be not less than 75 per cent. of the minimum rates of wages and which shall be notified by the Central Government from time to time.”.

Fall-back
wages.

6. After section 26 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
26A.

“26A. Every employee shall be entitled to seven days' Casual leave in a Calendar year as also festival leave on August 15, January 26, two days for Diwali and one day for Holi festival.”.

Casual
and
festival
leave.

Amend-
ment of
section 27.

7. In section 27 of the principal Act, for the word and figure "section 26", the words and figures "sections 26 and 26A" shall be substituted.

Amend-
ment of
section 29.

8. In section 29 of the principal Act, the proviso to sub-section (3) shall be deleted.

Insertion
of new
section
39A.

9. After section 39 of the principal Act, the following section shall be inserted, namely:—

Limita-
tion on
rejection
of
Beedies
and
cigars.

"39A. (1) Rejection by the employer or his agent of Beedi or Cigar or both made by an employee shall on any day be not more than 5 per cent. of the total number of Beedies or Cigars made by the employees.

(2) On each day the employer or his agent shall make an entry in the Attendance Card of the employee, as to the amount of raw materials supplied to the employee, the number of Beedies and Cigars made by that employee, and number of Beedies and Cigars rejected."

Amend-
ment of
section 44.

10. In section 44 of the principal Act, in sub-section (4),—

(i) for the words "before each House of the State Legislature, where it consists of two Houses, or where such Legislature consists of one House, before that House", the words "before each House of Parliament" shall be substituted;

(ii) for the words "the Legislatures" wherever they occur, the words "both Houses" shall be substituted.

STATEMENT OF OBJECTS AND REASONS

The Beedi Industry is not a capital-intensive Industry. At present, fixation of minimum rates of wages is left to the choice of respective State Governments, who are the "appropriate Governments" under the Beedi and Cigar Workers (Conditions of Employment) Act, 1966. As a result different rates of wages are fixed by the different States. The employer is, therefore, able to engage some Munshis or Munims and shift his production-centre across the border to some other State where the minimum wage is lower. In consequence, the workers have to face closures and unemployment in the State where the minimum wage is comparatively higher, or are compelled to accept lower rates, than the notified minimum wages. This is defeating the purpose of fixation of minimum wage in the Beedi Industry. The solution is to fix a National Minimum Wage, including variations, if necessary but to the extent that the purpose of fixing the minimum wage is not defeated. This can be done, if only the Central Government is the appropriate Government in the case of the Beedi and Cigar Industry. Hence the amendment proposed.

The minimum rates of wages in the Beedi Industry are fixed on the basis of making 1000 Beedies. This requires a certain quantity of leaves, tobacco etc. It is found that in many cases sufficient raw material is not given by the employer or his agent to the employees for manufacturing 1000 Beedies. As a result, the employee fails to earn the minimum wage notified under the Act. It is therefore, proposed that a system of "fall-back wages" be introduced. Since under this provision, the employer will be compelled to pay the "fall-back wage" even when he supplies insufficient raw material the practice will be discouraged and guarantees will be created for the implementation and payment of minimum wage. As to what percentage the fall-back wage should be of the minimum wage, is of course left to be decided by the "Central Government" and/or the Advisory Committee which is set-up for the purpose of determining the amount.

A Beedi worker has to put at least two hours of work at his residence, for cutting and sizing of Beedi leaves. Hence the hours of work in the "establishment" or "industrial premises" are sought to be reduced from 9 to 8 hours. Similarly the spread over is restricted to 10½ hours a day.

At present, the Beedi workers are not entitled to casual leave or festival leave under the provisions of the Act. Such leave is being introduced for the first time.

Provisions in the principal Act relating to "Contract Labour", "Home Worker" are being deleted with a view to eliminating this pernicious system prevailing in the Industry. Hence "employee" and "employer" are being re-defined. Consequential amendments have also been proposed.

The percentage of rejection is sought to be limited to 5 per cent, so as to put a check on this system degenerating into deliberate harassment of employees and erosion of their minimum wage. Entries proposed in the Attendance-Card are also with a view to put a check, and with a view to enable the Inspector to inspect at any time, or for a proper settlement of industrial dispute arising in this connection.

The Bill seeks to achieve the aforesaid objects.

PARVATHI KRISHNAN

NEW DELHI;

The 24th March, 1978.

BILL No. 73 OF 1978

A Bill further to amend the Constitution of India.

Be it enacted by Parliament in the Twenty-ninth Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Amendment) Act, 1978. Short title.

2. In article 48 of the Constitution, for the words “and prohibiting the slaughter, of cows and calves”, the words “and prohibiting the slaughter, of the cow and her progeny including calves, bulls and oxen” shall be substituted. Amendment of article 48.

3. In the Seventh Schedule to the Constitution,—

(a) in List II—State List, entry 15 shall be omitted;

(b) in List III—Concurrent List, after entry 29, the following entry shall be inserted, namely:—

“29A. Preservation, protection and improvement of stock and prevention of animal diseases; veterinary training and practice.”.

Amendment of Seventh Schedule.

Effect of laws inconsistent with the Act.	3. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force.
Constitution of Trust Corporations.	4. A company may declare itself to be a Trust Corporation by a resolution passed by a majority of the share holders present and voting at a general meeting.
Intimation to Registrar.	5. Immediately after the passing of the resolution under section 4, the Managing Agent or the Manager or the Secretary of the Company shall send an intimation to this effect to the Registrar of Joint Stock Companies in whose jurisdiction the head office of the company is located.
Management during interim period.	6. On receipt of such intimation, the Registrar shall direct the Managing Agent or the Manager or the Secretary as the case may be, to carry on the day to day affairs of the Company in the capacity of an interim Management Trustee.
Panchayat of the Trust.	7. The Registrar shall make arrangements to assess the assets and liabilities of the Company as soon as may be and shall constitute in the following manner a Panchayat consisting of not more than fifteen members in order to supervise and have a control on and to issue directions to the Management Trustee:— (a) the share holders of the Company shall nominate at a general body meeting not more than five trustees to the Panchayat; (b) the trade union of the employees of the Company shall nominate not more than four trustees, at least one from amongst the management employees and one from amongst job employees and the rest from amongst the employees of any of the other departments; (c) the Registrar shall nominate five trustees from amongst the experts one each from the Planning Commission, the Ministry of Industry or Commerce, the Department of Company Law Administration and the Labour Department or the State Government concerned and one nominated representative of the Municipality or Municipal Corporation of the area where the Head office of the company is located; (d) the interim Management Trustee shall be ex officio Member of the Panchayat.
Voting right to Employees.	8. Every employee, working in the company for not less than nine months shall have the right to vote in the election of trustees.
Qualifications of employees for election as Trustees.	9. No representative of the employees shall be included in the Panchayat unless he is associated with such an organised Trade Union as may be actively demanding a responsible participation in the management of the Trust Corporation.
Functions of Panchayat.	10. The Panchayat shall decide all the important questions relating to the management of the trade of the Trust Corporation, frame rules especially for the efficient management of the Corporation and shall approve the annual production scheme, annual accounts, construction and developmental programmes and the proposals regarding purchase, sale, grant and borrowing of loans, salary, wages, bonus to employees and interest to share holders (if any).

11. After making provision for depreciation and Provident funds, the net profits of the Trust Corporation shall be added to the accounts of the Government of India so that it may be distributed among different States in accordance with the recommendations of the Finance Commission.

Crediting
of profit
to
Govern-
ment
account.
Salaries of
employees.

12. The employees of the Trust Corporation shall not make any demand for such increase in their salaries as is not comparable to the average income of a villager or is not consistent with the pay scales prescribed by the Labour Ministry.

13. The Panchayat may sanction general bonus or individual merit bonus in case the annual production exceeds the target fixed by the Corporation.

Payment
of bonus.

14. The Managing Agent or the Manager or the Secretary of the Company which declares itself to be a Trust Corporation shall be *ex-officio* Management Trustee.

Manage-
ment
Trustees.

15. In case the Managing Agent is a company or a firm it may nominate the first Management Trustee of the Trust Corporation.

Nomination
of Manage-
ment
Trustee in
certain
cases.

16. The first Management Trustee shall hold his office for a term of five years or till he attains the age of 55 years, whichever is later.

Term of
office of
Manage-
ment
Trustee.

17. Any Management Trustee can be removed from his office by the Panchayat in case he indulges in any criminal breach of trust.

Removal
of
Manage-
ment
Trustee.

18. (a) The salary of the first Management Trustee shall be governed by a contract between the Panchayat and Management Trustee.

Salary of
first
Manage-
ment
Trustee.

(b) In case of any dispute over the salary of the first Management Trustee, the Registrar of Joint Stock Companies shall decide the salary keeping in view the standard of living of the first Management Trustee.

19. The first Management Trustee may recommend the name of his successor but the decision of the Panchayat shall be final.

Successor
of
Manage-
ment
Trustee.

20. The salary of the successive Management Trustees and other supervisory or technical personnel shall be prescribed by the Panchayat.

Salary of
successive
Manage-
ment
Trustees,
etc.

21. The Panchayat shall elect one of its members as Chairman who shall convene the meetings of the Panchayat from time to time and preside over these meetings.

Chairman
of
the Trust.

22. The Panchayat shall supervise the work of the management Trustee scrutinise the report submitted by him and shall issue directions to him in regard to day to day administration, policies and programmes of the Corporation.

Discharge
of
functions
by
Panchayat
through
Manage-
ment
Trustee.

Control over the employees.	23. All the employees of the Trust Corporation shall work under the Management Trustee.
Powers of Management Trustee.	24. The Management Trustee shall have the power to take disciplinary action against the employees for violation of the rules.
Audit of Accounts.	25. The accounts of income and expenditure of the Trust Corporation shall be audited by the Accountant General, Central Revenues.
Examination of Accounts.	26. The statement of income and expenditure, profit and loss and assets and liabilities of the Trust Corporation shall be placed before the joint annual meeting of all the employees and share-holders of the Trust.
Taking over of Management of Trust Corporation by Government in certain cases.	27. In case after examining the audit report, the Registrar of the Joint Stock Companies has reasons to believe that the affairs of the Trust Corporation are being conducted against public interest, he may recommend to the Central Government to take over the assets of the Corporation and dispose them of in a manner as it deems proper.
Coordination with the national plans.	28. It shall be the responsibility of the representative of the Planning Commission in the Panchayat to ensure coordination between the industrial and commercial activities of the Trust Corporation and the national schemes for economic development and his decision will be final in the matter.
Requisitioned undertaking.	29. In case the management of any industry or undertaking is taken over by the Government under the provisions of the Industries (Development and Regulation) Act, 1951, and is handed over to the Registrar of Joint Stock Companies, it shall be treated as a Trust Corporation for the purposes of this Act.
New Trust Corporations.	30. Any private entrepreneur may set up a new Trust Corporation by investment of fifty per cent in the share capital, provided the Central Government or the State Government concerned agrees to subscribe the remaining fifty per cent of the share capital subject to the condition that the total equity capital does not exceed Rs. 20 lakhs.
Governing rules.	31. The Trust Corporation set up under section 30 shall be governed by the same rules as are applicable to other corporations set up under this Act.
Management Trustee of new Corporations.	32. The contract between the Management Trustee of the Corporation set up under section 30 and the Government in respect of salary shall continue to be valid till the first Management Trustee holds his office.
Power to make rules.	33. (a) The Central Government may, by notification in the Official Gazette, make rules to give effect to the provisions of this Act and the rules so framed shall be applicable both to the companies owned or run by Indian or foreign nationals.

(b) Every rule made under this section shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

STATEMENT OF OBJECTS AND REASONS

Mahatma Gandhi had once said that an opportunity would be provided to all the capitalists in independent India to become legal trustees. This Bill seeks to provide such an opportunity to the owners of big companies and makes provision for running the management of such companies on democratic lines in accordance with the principles of trusteeship enunciated by Gandhiji. The aim of this Bill is to usher in an era of Socialist Society through peaceful means. The Planning Commission had also observed while bringing out the second Five Year Plan that a Socialist Society could be built not merely by monetary incentives but by inculcating the spirit of social service. It is, therefore, expedient to create a feeling among the labour that they are active participants in the work of building a socialist society. It is hoped that the provisions of this enactment will encourage the workers to take full interest in the various activities of the Industry such as production, purchase and sales and investment and that it would prove helpful in increasing production. The intention of the Bill is not to take mandatory steps but to take persuasive steps so that the present proprietors of big companies may convert their absolute ownership into trust ownership.

NEW DELHI;

ARJUN SINGH BHADORIA.

The 21st February, 1978

**PRESIDENT'S RECOMMENDATION UNDER ARTICLES 117 AND
274 OF THE CONSTITUTION OF INDIA**

[Copy of letter No. 7/17/78-CL.V., dated the 29th March, 1978 from Shri Shanti Bhushan, Minister of Law, Justice and Company Affairs to the Secretary, Lok Sabha].

The President, having been informed of the subject matter of the Indian Trusteeship Bill, 1978 by Shri Arjun Singh Bhadoria, Member, Lok Sabha recommends under clause (1) of article 117 and clause (1) of article 274 of the Constitution the introduction of the Bill and under clause (3) of article 117 of the Constitution the consideration of the said Bill by the Lok Sabha.

FINANCIAL MEMORANDUM

Clause 30 of the Bill provides that the Central Government may invest 50 per cent of the authorised capital of a new Trust Corporation that may be set up by any entrepreneurs. The Bill, therefore, if enacted, is likely to involve a recurring expenditure of about Rs. 50 lakhs from the Consolidated Fund of India.

No non-recurring expenditure is likely to be incurred.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 33 of the Bill confers on the Central Government power to make rules to carry out the purposes of the Bill when enacted. Since these rules will relate to matters of details and procedure, the delegation of legislative power is, therefore, of a normal character.

AVTAR SINGH RIKHY,

Secretary.